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January 23, 2024

VIA ELECTRONIC DELIVERY

Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, S.W.
Atlanta, Georgia 30334

Re: ***In re: NextEra Energy Services Georgia, LLC***
Docket No. 55516

Dear Ms. Tanner:

In connection with the above-referenced docket, please find the enclosed the pre-filed testimony in support of NextEra Energy Services Georgia, LLC's Application for Natural Gas Certificate of Authority.

Thank you for your assistance with this matter. Please don't hesitate to contact me directly with any questions or concerns.

Sincerely,



Mark E. Moore

Enclosures

STATE OF GEORGIA
BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION

Application of NextEra Energy Services Georgia, LLC)	
For Natural Gas Marketer)	Docket No. 55516
Certificate of Authority)	

DIRECT TESTIMONY OF
PJ ZONSIUS AND MICHAEL SWARTZELL
ON BEHALF OF NEXTERA ENERGY SERVICES GEORGIA, LLC

January 23, 2024

1 **I. Introduction**

2 **Q. Mr. Zonsius please state your name and business addresses.**

3 A. My name is PJ Zonsius. My business address is 3550 Lenox Road NE, Atlanta, Georgia.

4 **Q. Mr. Swartzell please state your name and business addresses.**

5 A. My name is Michael Swartzell. My business address is 3550 Lenox Road NE, Atlanta,
6 Georgia.

7 **Q. Mr. Zonsius, by whom are you employed and what is your position?**

8 A. I am employed by Gexa Energy LP (“Gexa”), an affiliate of applicant NextEra Energy
9 Services Georgia, LLC (“Applicant” or “NES Georgia”), as Vice President and General
10 Manager of Retail Gas.

11 **Q. Mr. Swartzell, by whom are you employed and in what capacity?**

12 A. I am employed by Gexa Energy LP as the Vice President of Supply and Risk Management.

13 **Q. On whose behalf are each of you testifying?**

14 A. We are testifying on behalf of the Applicant.

15 **Q. What is the purpose of your testimony?**

16 A. In this testimony, we demonstrate the financial and technical capability of the Applicant to
17 provide reliable certificated retail natural gas service in Georgia with sufficient gas supply
18 to meet the requirements of such service and to offer such service pursuant to contract
19 terms that are consistent with the Georgia Public Service Commission’s (“Commission”)
20 rules. Our testimony supplements and supports the information previously provided by the
21 Applicant in its Application for Natural Gas Certificate Authority filed on January 23, 2024
22 (“Application”).

23

1 **Q. Mr. Zonsius, what is your educational and professional experience?**

2 A. I received my bachelor's degree in 2007 from The University of Georgia and an MBA from
3 Georgia State University. I have 15 years of experience in the energy marketplace and am
4 the current Chair of the Natural Gas Association of Georgia. I have served as Vice President
5 and General Manager of Retail Gas at NextEra's retail gas business since December 2022.
6 My primary job responsibility is to support the growth and development of the retail gas
7 businesses. My current duties include business development, profit-and-loss management,
8 customer operations, and sales, duties which now extend to and include NES Georgia. Prior
9 to my employment at Gexa, I worked for Gas South holding various sales and business
10 development roles.

11 **Q. Mr. Swartzell, can you please describe your educational and professional experience?**

12 A. I received my bachelor's degree in Industrial Engineering from the Georgia Institute of
13 Technology and have 19 years of experience in the energy industry, specifically in the
14 natural gas space. In my current role at Gexa, I manage a team of analysts, schedulers, gas
15 operations experts, risk management professionals, and pricing professionals responsible
16 for gas operations in multiple states, which will now include NES Georgia. Prior to my
17 current position, I worked at Gas South in Georgia in multiple roles, most recently as the
18 Vice President of Structured Products and Risk.

19 **Q. Have either of you previously testified before the Commission?**

20 A. No.

1

2 **II. OVERVIEW OF APPLICANT AND APPLICATION**

3 **[PJ Zonsius]**

4 **Q. Can you please describe NES Georgia?**

5 A. Yes. NextEra Energy Services, LLC (“NES”) formed NES Georgia in 2023 in anticipation
6 of an expansion into the Georgia natural gas marketplace through the acquisition of
7 FireSide Natural Gas (“FireSide”). Through subsidiaries like NES Georgia, NES is an
8 active participant in retail natural gas and electric markets across the country. NES and
9 NES Georgia are indirect subsidiaries of NextEra Energy, Inc. (“NextEra,” NYSE: NEE).
10 Mr. Swartzell and I directly oversee and manage NES Georgia’s operations through our
11 respective roles as Vice President of Supply and Risk Management and Vice President of
12 General Manager of Retail Gas.

13 **Q. What is the status of the contemplated FireSide acquisition?**

14 A. NES Georgia and FireSide (Interim Certificate GM – 36 in Docket No. 25471-U) entered
15 into a Membership Interest Purchase Agreement (“Purchase Agreement”) under which
16 NES Georgia will acquire FireSide (the “Transaction”). The Commission’s approval of the
17 Application is required in order to complete the Transaction. I describe the contemplated
18 Transaction in more detail in Section III of this testimony.

19 **Q. Has NextEra conducted business in Georgia prior to 2023?**

20 A. Yes. NextEra subsidiary NextEra Energy Resources, LLC (“NEER”) has undertaken
21 substantial investment in Georgia. NEER is the world’s largest generator of renewable
22 energy from the wind and sun, as well as a world leader in battery storage, and has worked

1 with Georgia Power on multiple power generation projects which have been approved by
2 the Commission.

3 **Q. Who will have direct responsibility for Georgia operations, including the FireSide**
4 **operations should the Application be approved and the Transaction consummated?**

5 A. As Vice President and General Manager of Retail Gas, I have direct responsibility for NES
6 Georgia's operations, including those of FireSide should the transaction close.

7 **Q. Under what names will the Applicant be providing firm natural gas service in**
8 **Georgia?**

9 A. The Applicant will provide firm natural gas service in Georgia under the name NextEra
10 Energy Services Georgia. To the extent necessary, NES Georgia will utilize a "Doing
11 Business As FireSide Natural Gas" designation until all applicable contracts have been
12 assigned so that customer confusion is minimized.

13 **Q. What type of customers does the Applicant expect to serve?**

14 A. At the outset, NES Georgia will ensure that FireSide customers continue to be provided
15 the excellent service they have received from FireSide. We expect the transition to be a
16 seamless process given that the principal FireSide team is remaining in place. At this time,
17 NES Georgia plans to continue serving commercial and industrial customers in Georgia,
18 as FireSide does today. Should NES Georgia later seek to serve other classes of customers,
19 NES Georgia will comply with applicable Commission requirements.

20 **Q. Within what period of time do you plan to commence providing service within**
21 **Georgia?**

22 A. Assuming approval of the Application, the Applicant will, indirectly, serve customers
23 immediately given that FireSide is currently serving customers within the state and its

1 operations will continue until all applicable contracts have been assigned and the business
2 integration is completed. The only change will be the ownership structure of FireSide. No
3 other operational changes are planned and no interruption in service, change in existing
4 contracts, or disruption in customer service is expected.

6 **III. Overview of FireSide Transaction**

7 **[PJ Zonsius]**

8 **Q. Can you please provide a summary of the FireSide Transaction?**

9 A. Yes. As outlined in the Application , NES Georgia generally plans to maintain FireSide's
10 current operations and employees to ensure a seamless transition for both customers and
11 FireSide employees. Assuming the Application is approved and the Transaction closes,
12 NES Georgia anticipates that the overall operations of FireSide would remain substantially
13 unchanged and there would be no disruption to service or company personnel following
14 closing of the Transaction. Following the closing, NES Georgia would conduct all
15 operations of FireSide under the license issued in this docket.

16
17 The completion of the Transaction also will not impact or detract from FireSide's presence
18 within Georgia. NES Georgia's primary place of business will be located within the state.
19 At closing, FireSide employees will be seamlessly transitioned to be employees of Gexa,
20 which is the NES Georgia affiliate that employs those individuals with responsibility for
21 NES Georgia operations. For example, Gexa is Mr. Swartzell's and my employer. No
22 employee will be asked to relocate. The closing of the Transaction will only strengthen
23 FireSide's and NES Georgia's presence within the state.

1 **Q. Will Gexa be operating within the state of Georgia under the proposed structure?**

2 A. No. Gexa Energy LP will be simply the entity that employs and ensures accurate payroll
3 for the individuals supporting NES Georgia, in addition to employing individuals that
4 support other NES business lines. NES Georgia will be the entity that operates and
5 contracts with customers and vendors within Georgia and will be the only outwardly facing
6 entity within the state for retail natural gas.

7 **Q. Does Gexa support other retail natural gas companies outside of Georgia?**

8 A. Yes. Gexa supports all of NextEra's retail natural gas business by employing and managing
9 the payroll, benefits, HR needs, IT support, and other operational needs of the businesses.

10 **Q. What other retail natural gas businesses does Gexa support?**

11 A. Gexa supports retail gas entities across 6 states and is prepared to begin immediately
12 supporting Georgia after the completion of the FireSide acquisition. In addition to future
13 support for NES Georgia, Gexa LP supports the following natural gas entities in the listed
14 states:

- 15 • NextEra Energy Services Florida LLC: Florida
- 16 • Frontier Utilities Northeast LLC: Ohio, Illinois, New Jersey, and Pennsylvania
- 17 • Vanguard Energy Services LLC: Illinois

18 **Q. Will FireSide customers see benefits from the change in ownership?**

19 A. Yes. The NextEra family of companies has a long track record of successfully managing
20 energy businesses with best-in-class customer service and support. NextEra and its
21 leadership are also committed to providing services to customers that achieve world-class
22 safety and reliability metrics—a commitment that will now be extended to all FireSide
23 customers. NextEra will utilize its vast experience across both regulated and retail markets

1 to ensure that each customer is provided industry-leading customer service and support
2 with an enhanced offering of products designed to meet the customer's individual needs in
3 compliance with individual contracts.

4 **Q. Does NES Georgia agree to work with the Commission Staff as it transitions the**
5 **Fireside operations to NES Georgia?**

6 A. Yes. NES Georgia agrees to work with the Commission Staff on the timeline to transition
7 the current FireSide operations to NES Georgia. NES Georgia will keep its customers,
8 Commission Staff, and other stakeholders apprised about the transition.

9
10 **IV. FINANCIAL AND TECHNICAL CAPABILITIES**

11 **A. FINANCIAL CAPABILITY**

12 **[Mr. Zonsius]**

13 **Q. Can you please describe the financial resources available to the Applicant?**

14 A. Yes. As a subsidiary of Fortune 100 company NextEra, the Applicant benefits from
15 NextEra's strong financial position. NextEra is the world's largest electric utility by market
16 capitalization, with revenues in calendar year 2022 of over \$21 billion, and has ample
17 access to capital. As indicated in the financial information provided in the Application, the
18 Applicant can meet and exceed required financial requirements to ensure reliable service
19 in Georgia. NES Georgia has the support, financial resources, and backing to withstand the
20 business and financial risks inherent in serving as a trusted marketplace participant in
21 Georgia.

22 **Q. Does the Applicant have the financial resources required to make future investments**
23 **as needed?**

1 A. Yes. The Applicant's strong financial position will allow it to make investments needed to
2 support the growth or expansion of assets required by our customers.

3 **B. TECHNICAL CAPABILITY AND GAS SUPPLY**

4 **[Mr. Swartzell]**

5 **Q. Can you please describe the Applicant's technical capability and gas supply?**

6 A. Yes. The Applicant is well positioned to seamlessly acquire and operate the assets currently
7 held by FireSide. As part of the agreement with FireSide, NES Georgia will obtain all
8 current assets held by FireSide that are being used to meet the needs of its current customer
9 base. As the Vice President of Supply and Risk Management, I am responsible for ensuring
10 responsibly sourced gas supply. I have nearly 20 years of experience working in retail
11 natural gas markets, specifically in Georgia and several others. At the close of the
12 acquisition of FireSide, I will work directly with the FireSide team to ensure that we are
13 well positioned to meet our current and future requirements.

14 In addition, as part of NES Georgia's commitment to ensuring reliable service, the
15 Applicant will maintain a risk management and hedging policy to mitigate risk to the
16 Applicant and our customers. In coordination with the diverse asset array allocated on
17 behalf of the firm customers of Georgia, the Applicant will continue to invoke a number
18 of price and operational risk management measures to ensure the cost-effective reliability
19 of its gas supply to best serve its customers.

20 **Q. What contract arrangements are in place with respect to suppliers of natural gas**
21 **into Georgia?**

22 A. NES Georgia will maintain and fulfill all contracts held by FireSide with suppliers,
23 pipelines, and financial institutions. To the extent needed, NES Georgia will not hesitate

1 to find other strategic partners to meet the evolving needs of our customers within
2 Georgia. Moreover, NES Georgia has access to the vast supply and asset management
3 capabilities of its affiliate, NextEra Energy Marketing (“NEM”).

4 **Q. Can you describe NEM and any other affiliates from which NES Georgia can procure**
5 **expertise?**

6 A. Yes. NextEra currently oversees gas operations in multiple jurisdictions through different
7 entities under the same corporate structure:

- 8 • NEM: NextEra’s wholesale energy marketing group is the seventh largest supplier
9 of natural gas in the U.S. NEM is active in Georgia, and supplies natural gas to
10 marketers, municipalities, and large industrial customers. NEM currently transports
11 over 10 BCF of natural gas per year in Georgia.
- 12 • FPL Energy Services, LLC (Florida): Has 20 years of experience serving 7,000
13 commercial and industrial customers across 5 local distribution companies.
- 14 • Vanguard Energy Services, LLC (Illinois): This recently acquired entity has 20
15 years of experience serving 1,200 commercial and industrial customers across 4
16 local distribution companies.
- 17 • Frontier Utilities, LLC (Illinois, New Jersey, Pennsylvania, and Ohio): Has 5 years
18 of experience serving 7,000 residential customers across 7 local distribution
19 companies.

20
21 **IV. CUSTOMER CARE AND MARKETING**

22 **[Mr. Zonsius]**

23 **Q. How will customer support be maintained?**

1 A. Customer support for NES Georgia and Fireside will be handled through a collaborative
2 effort between Fireside and the larger parent company of NES Georgia. As stated earlier,
3 the FireSide team is being retained and will continue to manage customer relationships
4 uninterrupted, which will be further strengthened with the additional resources held by
5 NES Georgia. To the extent needed, NES Georgia will have access to customer care,
6 operations, and technical expertise to enhance the experience for all current and future
7 FireSide customers. NES Georgia will closely monitor customer interactions, call times,
8 and any formal or informal concerns to ensure a superior customer experience.

9 **Q. Will NES Georgia be immediately rebranding or changing the current FireSide**
10 **marketing materials, contracts, or terms and conditions?**

11 A. No. NES Georgia will maintain all currently approved material that is being utilized by
12 FireSide to effectuate a smooth and seamless transition.

13 **V. NES Georgia Regulatory Commitments**

14 **Q. Does NextEra Georgia agree to comply with Commission Rules?**

15 A. Yes. NES Georgia will comply with all Commission Rules and guidelines.

16 **Q. Does NES Georgia agree to respond to Staff's data requests regarding its ongoing**
17 **financial and technical capability?**

18 A. Yes. NES Georgia will respond to all Staff data requests.

19 **Q. Who will be the Applicant's primary contact for the Commission Staff?**

20 A. The primary contacts for Commission Staff will be:

- 21 • Melissa Lauderdale, Executive Director of Regulatory and Legislative Affairs for
22 Gexa Energy LP; and
- 23 • Brandi Kirkpatrick: Director of Pricing and Structuring for Gexa Energy LP.

1 **Q. Does NES Georgia wish to express any other assurances to the Commission in support**
2 **of its Application?**

3 A. Yes. NES Georgia's desire to participate in the Georgia natural gas marketplace through
4 its acquisition of FireSide represents NextEra's continued commitment to Georgia to
5 bring an enhanced level of service, reliability, and customer support to the state, as well
6 as offer individually tailored products and services in the robust Georgia marketplace.
7 FireSide's current customers will see no adverse changes to the levels of service they
8 have come to expect. When it comes time to renew their contracts, NES Georgia will be
9 equipped with the resources, support, and people to provide them the natural gas service
10 they need.

11 Strengthened by its parent and affiliate relationships, NES Georgia looks forward to
12 bringing the benefits of strong financial capabilities and extensive experience delivering
13 natural gas across the United States to Georgia and its natural gas customers. This
14 includes resources to provide best-in-class customer care and support beyond the levels
15 offered today. NES Georgia is excited to be a part of the Georgia natural gas marketplace
16 for years to come.

17 **V. CONCLUSION**

18 **Q. Does this conclude your testimony?**

19 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF GEORGIA

**IN RE: NEXTERA ENERGY SERVICES
GEORGIA, LLC**

**NEXTERA ENERGY SERVICES GEORGIA,
LLC APPLICATION FOR NATURAL GAS
CERTIFICATE OF AUTHORITY**

Docket No. 55516

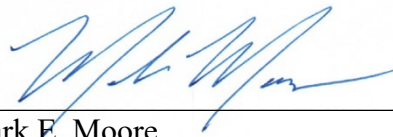
CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I SERVED TRUE AND CORRECT COPIES OF THE FOREGOING PRE-FILED TESTIMONY IN SUPPORT OF NEXTERA ENERGY SERVICES GEORGIA, LLC'S APPLICATION FOR NATURAL GAS CERTIFICATE OF AUTHORITY UPON ALL PARTIES LISTED BELOW VIA ELECTRONIC SERVICE AS FOLLOWS:

Sallie Tanner, Executive Secretary
Georgia Public Service Commission
244 Washington Street SW
Atlanta, GA 30334
(Via Electronic Service)

Mr. Tony Wackerly
Georgia Public Service Commission
244 Washington Street SW
Atlanta, GA 30344
(Via Electronic Service)

This 23rd day of January 2024.



Mark E. Moore
Georgia State Bar No. 371083

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